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the Snap Shareholder Group*

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

**IN RE SNAP INC.  
SECURITIES LITIGATION**

Case No. 2:17-cv-03679-SVW-AGR  
**CLASS ACTION**

# **DECLARATION OF SHARAN NIRMUL IN SUPPORT OF THE MOTION OF THE SNAP SHAREHOLDER GROUP FOR APPOINTMENT AS LEAD PLAINTIFF**

Date: March 4, 2019  
Time: 1:30 p.m.  
Courtroom: 10A  
Judge: Hon. Stephen V. Wilson

## This Document Relates To: All Actions

1 I, Sharan Nirmul, declare as follows:

2       1. I am a partner with the law firm of Kessler Topaz Meltzer & Check, LLP  
3 (“Kessler Topaz”), Lead Counsel for the class and counsel for the Snap Shareholder  
4 Group, and I am admitted to practice *pro hac vice* before this Court. I am also counsel  
5 to the Court-appointed Lead Plaintiff Thomas DiBiase (“DiBiase”), and proposed class  
6 representatives Donald R. Allen (“Allen”) and Shawn B. Dandridge (“Dandridge”). I  
7 submit this Declaration in support of the Motion of the Snap Shareholder Group for  
8 Appointment as Lead Plaintiff.

9       2. Prior to the filing of the Amended Complaint, at my direction, Kessler  
10 Topaz’s lawyers, investigators, and other employees conducted an extensive  
11 investigation of the allegations alleged therein. In addition to extensive factual  
12 research based on SEC filings, analyst reports, industry sources, and consultation with  
13 experts, the investigation also included numerous interviews with former Snap  
14 employees, including two former employees who are quoted extensively throughout  
15 the Amended Complaint.

16       3. On June 7, 2018, the Court denied Defendants’ motions to dismiss and,  
17 consequently, the PSLRA discovery stay was lifted. Since then, DiBiase and Kessler  
18 Topaz, as well as Allen and Dandridge, have engaged in substantial, expedited  
19 discovery efforts. The Court’s June 7, 2018 opinion required Plaintiffs to file their  
20 motion for class certification by no later than September 5, 2018. Thereafter, the Court  
21 set a trial date of March 12, 2019, which triggered expert disclosures by December 12,  
22 2018, and a pre-trial order by February 14, 2019.

23       4. Recognizing the need to streamline the case given the Court’s pre-trial  
24 schedule, we immediately developed a comprehensive discovery plan that sought to  
25 complete all fact discovery by mid-January 2019, and expert discovery by February 4,  
26 2019. In addition, we expedited class certification by entering into a stipulation with  
27 Defendants that provided for a hearing on November 19, 2018, and briefing to be  
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1 completed by November 5, 2018. The parties further agreed to expedite document  
2 production and produce DiBiase, Allen, and Dandridge on an expedited basis.  
3 Plaintiffs filed their class certification motion on August 30, 2018, a week ahead of the  
4 Court's deadline.

5 5. Plaintiffs also streamlined the litigation in preparation for trial by entering  
6 into tolling agreements and discovery cooperation agreements with the Underwriter  
7 Defendants and the Director Defendants in exchange for voluntarily dismissing claims  
8 against those defendants without prejudice. These defendants were fully indemnified  
9 by Snap.

10 6. On June 29, 2018, DiBiase and Kessler Topaz served forty-nine unique  
11 document requests on Snap and the Individual Officer and Director Defendants. At  
12 the same time, DiBiase and Kessler Topaz served thirty-six unique document requests  
13 on the Underwriter Defendants. Since that time, the parties have met and conferred  
14 extensively regarding Defendants' document production. DiBiase and Kessler Topaz  
15 also served interrogatories on Defendants, and DiBiase, Allen, and Dandridge have  
16 responded to Defendants' interrogatories.

17 7. The parties appeared before Magistrate Judge Rosenberg, either in person  
18 or via telephonic conference, for three discovery hearings. Kessler Topaz anticipates  
19 raising additional issues related to Defendants' document production with Magistrate  
20 Judge Rosenberg should the Snap Shareholder Group be appointed Lead Plaintiff.

21 8. DiBiase and Kessler Topaz also served fifteen document subpoenas and  
22 four deposition subpoenas on third parties, including Ernst & Young, Jared Leto,  
23 PriceWaterhouseCoopers, Oath, Sensor Tower, Anthony Pompliano, and numerous  
24 other former Snap employees. Kessler Topaz has met and conferred extensively with  
25 these third parties regarding their respective subpoenas and negotiations remain  
26 incomplete on account of the partial stay of this litigation.

1       9. In response to these document requests and subpoenas, Kessler Topaz has  
2 received the following productions to date: (i) more than 1.5 million pages from  
3 Defendants; (ii) more than 26,000 pages from Snap's underwriters; and (iii) more than  
4 1,800 pages from six additional third parties. Third party production was halted in  
5 light of the motion docketed as ECF No. 168 and we anticipate substantial productions  
6 from third parties in response to our subpoenas once the partial stay is lifted.

7       10. Defendants had represented that they expected to substantially complete  
8 document production by no later than mid-January 2019, although the stay of the  
9 litigation and the instant dispute has suspended the parties' efforts to meet and confer  
10 on any outstanding deficiencies. Kessler Topaz anticipates receiving additional  
11 documents from third parties, from whom production had been ongoing, once the stay  
12 is lifted.

13      11. At my direction, a substantial portion of the documents that have been  
14 produced, including documents identified as most likely to contain relevant  
15 information through technology assisted review, have been reviewed by staff and  
16 contract attorneys and synthesized for the litigation team. The litigation team has met  
17 weekly with the document review team to discuss key documents identified during the  
18 review, the import of these documents to the claims at issue, the relevance for experts,  
19 and importance to our trial proof. Key documents have been built into our deposition  
20 kits and proof.

21      12. In the course of discovery, the litigation team has identified over twenty-  
22 five potential depositions, and honed in on fifteen for which deposition kits have been  
23 developed. To date, we have noticed four depositions of current and former Snap  
24 employees, as well as served a comprehensive notice of deposition on Snap under  
25 Federal Rule of Civil Procedure 30(b)(6) ("Rule 30(b)(6)").

26      13. The parties met and conferred extensively on the topics on which Snap  
27 would designate a Rule 30(b)(6) witness, and had reached substantial agreement on the  
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1 scope of these depositions. All previously noticed depositions were set to begin at the  
2 end of November, with depositions of three former Snap employees and four Rule  
3 30(b)(6) corporate designees previously confirmed. While these depositions were  
4 taken off calendar because of the partial stay, Kessler Topaz intends to take all such  
5 depositions, and notice the remainder of the contemplated depositions, if the Snap  
6 Shareholder Group is appointed Lead Plaintiff.

7 14. In anticipation of expert disclosures—which were previously due on  
8 December 12, 2018 (*see* ECF No. 177)—DiBiase and Kessler Topaz retained two  
9 merits experts and one damages expert. The litigation team has met extensively with  
10 our experts, in person and telephonically, in preparation for expert disclosures which  
11 were due on December 12, 2018. Each expert has done substantial work reviewing  
12 case materials and preparing for that disclosure deadline.

13 15. DiBiase and Kessler Topaz also retained a trial consultant, who has  
14 similarly engaged in substantial efforts to assist Kessler Topaz in preparing this case  
15 for trial, which was previously set for March 2019.

16 16. DiBiase, Allen, and Dandridge have each engaged in substantial  
17 discovery efforts as well. In addition to responding to interrogatories and producing  
18 documents in response to Defendants' document requests, Allen and Dandridge were  
19 deposed on September 19, 2018, and September 20, 2018, respectively.

20 17. As Defendants previously disclosed to the Court, the parties had engaged  
21 a mediator and were preparing to mediate this case in accordance with the Court's  
22 January 4, 2019 deadline for mediation when the issues concerning the Lead Plaintiff  
23 arose.

24 18. Kessler Topaz, Allen, and Dandridge are aware of the substance of ECF  
25 No. 168, and participated in the negotiation of ECF No. 179.

26 19. Kessler Topaz remains committed to aggressively litigating this case on  
27 an expedited basis.

20. To date, Kessler Topaz has expended more than 20,000 attorney hours (or more than \$7.5 million in lodestar) and hundreds of thousands of dollars in expenses to advancing the interests of the class in this litigation.

21. True and correct copies of the following exhibits are attached:

Exhibit A: The Snap Shareholder Group's sworn certifications pursuant to the Private Securities Litigation Reform Act of 1995.

Exhibit B: Chart of the Snap Shareholder Group's transaction and losses in Snap Inc. securities during the Class Period.

**Exhibit C: Joint Declaration in Support of the Motion of the Snap  
Shareholder Group for Appointment as Lead Plaintiff.**

**Exhibit D: Firm résumé of Kessler Topaz Meltzer & Check, LLP.**

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed this 31st day of January 2019.

ary 2019.  
  
Sharan Nirmul

## Sharān Nirmul